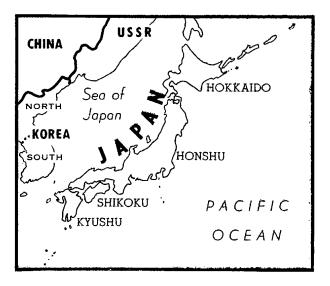
NIE 41-58 ADVCON 23 December 1958

# NATIONAL INTELLIGENCE ESTIMATE

# PROBABLE DEVELOPMENTS IN JAPAN's

NOTE: This is an advance copy of the conclusions of this estimate as approved by the United States Intelligence Board. The complete text will be circulated within five days of this issuance.



- Japan's international orientation
- U. S. use of bases in Japan
- Japan's relations with the bloc

Central Intelligence Agency

SECRET

# Submitted by the DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

# Concurred in by the

### UNITED STATES INTELLIGENCE BOARD

on 23 December 1958. Concurring were The Director of Intelligence and Research, Department of State; the Assistant Chief of Staff for Intelligence, Department of the Army; the Director of Naval Intelligence; the Assistant Chief of Staff, Intelligence, USAF; the Director for Intelligence, The Joint Staff; the Assistant to the Secretary of Defense, Special Operations; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

#### CENTRAL INTELLIGENCE AGENCY

23 December 1958

SUBJECT: NIE 41-58: PROBABLE DEVELOPMENTS IN JAPAN'S INTERNATIONAL ORIENTATION 1

#### THE PROBLEM

To analyze recent trends and to estimate probable developments in Japan's international position and orientation over the next five years.

#### CONCLUSIONS

1. Over the next five years, Japan will probably remain basically aligned with the US. Within this alignment, however, Japan will be more assertive in pursuing its independent national interests. Supported by a strong and growing economy, Japan probably will increase its economic, political, and diplomatic influence, especially in South and Southeast . Asia. Japan will increasingly identify itself with the Afro-Asian states, particularly in the UN, but on fundamental issues will continue to cooperate with the US and the West. (Paras. 8, 22, 36)

<sup>1</sup> The title of this estimate when used separately from the text is classified, "For Official Use Only." This estimate supersedes NIE 41-56.

- 2. Japan will probably continue to depend primarily on US deterrent strength for its defense. Popular opposition to the idea of rearmament as well as to its cost will continue to restrict Japan's defense effort, although we believe that this opposition will gradually diminish. We believe that five years from now Japan's defense establishment will be substantially more modern than now planned. Nevertheless, the armed forces will still have only a limited ability to defend Japan against major attack. (Paras. 21, 29)
- 3. If negotiations for revision of the US-Japan Security Treaty end in a mutually satisfactory agreement the US bases in Japan can be maintained for at least the period of this estimate. If such a mutually satisfactory agreement is not achieved, US-Japanese relations would gradually deteriorate. Even in this situation the US base position could probably be maintained for a year or two, but Japanese pressure for the elimination of the bases would increase rapidly and might result in making effective operation of the bases impossible. (Para. 31)
- 4. We do not believe that the Japanese Government will consent to the deployment of US nuclear weapons in Japan in the foreseeable future. We believe that it would consent to the use of US bases in Japan for the launching of air attacks, nuclear or otherwise, against targets on the mainland of Asia only if Japanese leaders were convinced that Japan itself was directly threatened. In the event of a Communist attack on South Korea it is likely that the Japanese Government would be convinced that Japan itself was directly threatened and would agree to nonnuclear attacks

on targets in Korea. It might even agree to the use of nuclear weapons if this appeared necessary to keep South Korea out of Communist hands. In case of US involvement in hostilities with the Communist Bloc in defense of Korea, Taiwan, or Southeast Asia, we believe that the Japanese Government would consent to the use of US bases for staging, supply, and maintenance support of operations. However, it would probably place limitations on such use of the bases, the extent of which would depend upon its own estimate of the importance of the threatened area to Japan's security as balanced against the degree of risk of Japanese entanglement in the hostilities, and the possibility of retaliatory attack on Japan itself. Regardless of the Japanese Government's decision, effective and sustained use of US bases in Japan would probably be impossible if the Japanese public in general, and organized labor in particular, actively opposed their use. (Para. 32)

5. Japan's relations with the Bloc will probably not become close during the next five years. However, Japan will seek to minimize frictions with Moscow and Peiping. Trade with the USSR will probably continue to increase, but it will amount to only a very small fraction of Japan's total trade. There will probably be some improvement in the current strained relations with Communist China, and trade with China will probably be resumed within the next year or so. If Communist China is admitted to the UN or if other major nations, such as Canada and France, recognize the Peiping Government, domestic pressures will probably force Japan to offer recognition regardless of US action. However, we do not believe that Japan would recognize Peiping if this entailed acceptance of Communist China's claim to Taiwan. (Paras. 33-34)

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6. Japan's present close working relationships with the US will probably continue as long as Prime Minister Kishi remains in power. Kishi's political future is uncertain. If he should be replaced by another conservative leader, US-Japanese working relationships would probably be more difficult, especially if the transfer of power were accompanied by acute dissension in conservative ranks. However, we believe that as long as the government remains in conservative hands Japan's international orientation will remain basically unchanged, and that satisfactory US-Japanese relationships can be maintained. If the Socialists should come to power, which we believe unlikely, Japan's foreign policy would move toward a neutralist position and the government would seek closer relations with the Bloc. However, a Socialist government would probably not move as rapidly or as far toward the Bloc as the Socialist Party program suggests. (Paras. 23-24)